

**BURNS TOWNSHIP
SHIAWASSEE COUNTY**

FINANCIAL STATEMENTS

MARCH 31, 2008

Auditing Procedures Report

Issued under Public Act 2 of 1968, as amended.

Unit Name Burns	County SHIAWASSEE	Type TOWNSHIP	MuniCode 78-1-030
Opinion Date July 23, 2008	Audit Submitted	Fiscal Year 2008	

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

<input checked="" type="checkbox"/> 1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/> 2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/> 3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> 4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> 5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> 6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> 7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> 8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/> 9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> 10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/> 11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input type="checkbox"/> 12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> 13. Is the audit opinion unqualified? 14. If not, what type of opinion is it? <input type="text" value="NA"/>
<input checked="" type="checkbox"/> 15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/> 16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> 17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/> 18. Are there reported deficiencies? <input type="checkbox"/> 19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 344,369.28
General Fund Expenditure:	\$ 245,560.38
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 669,574.96
Governmental Activities Long-Term Debt (see instructions):	

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name) Geraldine	Last Name Terry	Ten Digit License Number 1101026880		
CPA Street Address 217 N. Washington Street	City Owosso	State MI	Zip Code 48867	Telephone +1 (989) 723-8227
CPA Firm Name Demis and Wenzlick, P.C.	Unit's Street Address 217 N. Washington St	City Owosso	Zip Code 48867	

BURNS TOWNSHIP
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BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
MARCH 31, 2008

ELECTED OFFICIALS

David Mitchell	Supervisor
Sharon Granger	Clerk
Valerie Ritter	Treasurer
Gary Adams	Trustee
Cheryl Cole	Trustee



DEMIS and WENZLICK, P.C.

Certified Public Accountants

James Demis, Jr., C.P.A.
LaVearn G. Wenzlick, C.P.A.
Lori S. Chant, C.P.A.
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Vickie Clayton
Carol Demis
Jeannette Gaitskill
Kathy Kimmerer
Erica Marks
Janis Mead
Tammy Pappas
David Pullen
Dean Roach
Vicki Schuler
Joyce Simmons
Barbara Wenzlick
Bruce Wenzlick

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Burns Township
Shiawassee County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Burns Township as of and for the year then ended March 31, 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Burns Township as of March 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the budgetary comparison schedules as identified in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The introductory section and the other supplemental information, as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Dennis and Wengrich, P.C.

Certified Public Accountants

July 23, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

BURNS TOWNSHIP MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Burns Township's (the Township's) financial performance and position, providing an overview of the activities for the year ended March 31, 2008. This analysis should be read in conjunction with the Independent Auditors Report and with the Township's financial statements, which follow this section. The fiscal year ended March 31, 2008 represents the first year the Township has reported under the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as amended by GASB Statement No. 37 Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments – Omnibus and Statement No. 38 Certain Financial Statement Note Disclosures. Therefore, this discussion and analysis does not provide comparisons with previous years.

FINANCIAL HIGHLIGHTS

The assets of the Township exceeded its liabilities at the close of the most recent fiscal year by approximately \$1,889,000 (net assets). Of this amount, approximately \$879,000 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets increased by approximately \$223,000 for the fiscal year.

As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of approximately \$982,000, an increase of \$108,000 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary and additional information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Township's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., delinquent personal property taxes).

BURNS TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes, special assessments and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include general government, public safety, public works, health and welfare, community and economic development, culture and recreational and other functions. The government-wide financial statements can be found on pages 8 and 9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because of focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the government's near term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Township maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is elsewhere in this report.

The Township adopts an annual appropriated budget for its general fund and special revenue funds. Budgetary comparison statements have been provided for the general fund in the required supplementary information and for the special revenue funds in the additional information to demonstrate compliance with budgets.

BURNS TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

Fiduciary Funds. Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 14 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the Township's general fund and special revenue budget.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of government's financial position. In the case of the Township, assets exceeded liabilities by \$1.9 million at the close of the most recent fiscal year.

By far the largest portion of the Township's net assets (48 percent) reflects its investment in capital assets (e.g., land, building, machinery, infrastructure, and equipment); less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the Township does not have any outstanding debt.

Restricted assets represents cash accounts of the Township's Fire, Fire Equipment, and Ambulance Special Revenue accounts.

BURNS TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

Township as a Whole

The following table shows, in a condensed format, the net assets of the Township as of March 31, 2008:

Current Assets	\$ 991,993
Capital Assets	<u>907,165</u>
Total Assets	<u>\$1,899,158</u>
Current Liabilities	<u>\$ 9,889</u>
Total Liabilities	<u>\$ 9,889</u>
Net Assets	<u>\$1,889,269</u>

The following table shows the change in net assets for the year ended March 31, 2008:

General Revenues:	
State Shared Revenues	\$ 199,865
Property Tax/Special Assessments	301,019
Interest	39,120
Other General Revenues	<u>13,957</u>
Total Revenues	<u>\$ 553,961</u>
Program Expenses:	
General Government	\$ 109,802
Public Safety (Fire)	95,632
Public Works (Streets, Drains, Lights)	60,989
Health and Welfare (Ambulance)	<u>64,124</u>
Total Expenses	<u>\$ 330,547</u>
Change in Net Assets	<u>\$ 223,414</u>

**BURNS TOWNSHIP
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

The Township's Funds

Governmental Funds. The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Township's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The fund financial statements provide detailed information about all the general government funds. Burn's Township Board Trustees has the ability to create funds to help manage money for specific purposes as well as to show accountability for certain activities, such as property tax mileages' and special assessments.

The General Fund pays for the majority of the Township's governmental services. The Fire Funds pays for the purchase of equipment, fire wages, insurance, etc. The General Fund paid \$137,187 for road maintenance during the year.

General Fund Budgetary Highlights

Over the course of the fiscal year, the Township Board made necessary budget adjustments to fund unanticipated expenditures during the year and to reallocate expenses across different governmental activities. All activities came in under budget at year-end; there was an overall favorable budget to actual variance of \$103,625.

Capital Assets

At the end of the fiscal year, the Township had approximately \$1,361,430 (valued at historical cost) in assets which includes building, land, land improvements, furniture, equipment, fire equipment, fire vehicles, office equipment and software. Accumulated depreciation recorded for the general township assets was \$454,265 at March 31, 2008.

Current Economic Factors

Burns Township's goal is to continually look for the most efficient and effective methods to maintain and enhance the services that are provided to the public. The Township has a conservative and financially prudent budget for the fiscal year 2008 that also promotes and funds numerous project objectives.

The Township has deliberately made conservative estimates concerning state revenue sharing for fiscal year 2008 due to the budget constraints at the State level. It has also estimated investment earnings conservatively anticipating lower interest rates.

Request for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Township Supervisor at P.O. Box 397, Byron, Michigan 48418.

BASIC FINANCIAL STATEMENTS

BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
MARCH 31, 2008

	Governmental <u>Activities</u>
ASSETS:	
Cash and Investments	\$ 948,242
Receivables (Within One Year)	2,676
Due from Funds	7,657
Due from Other Gov't Units	33,418
Capital Assets not being Depreciated	12,086
Capital Assets being Depreciated, Net	<u>895,079</u>
TOTAL ASSETS	<u>\$1,899,158</u>
LIABILITIES:	
Accounts Payable	\$ <u>9,889</u>
TOTAL LIABILITIES	\$ 9,889
NET ASSETS:	
Invested in Capital Assets	\$ 907,165
Restricted Assets – Fire CD's	62,256
Restricted Assets – Ambulance Savings	40,732
Unrestricted Net Assets	<u>879,116</u>
	<u>\$1,889,269</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

		Program Revenues Charges for Services	Net (Expense) Revenue in Net Assets Total Gov't Activities
	<u>Expenses</u>		
PRIMARY GOVERNMENT:			
Governmental Activities:			
General Government	\$109,802	\$	\$ (109,802)
Public Safety	95,632		(95,632)
Public Works	60,989		(60,989)
Health and Welfare	<u>64,124</u>		<u>(64,124)</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$330,547</u>	\$	<u>\$ (330,547)</u>
GENERAL REVENUES:			
Taxes:			
Property Taxes, Levied for General Purpose/Admin, Fees			\$ 101,667
Special Assessments			199,352
State Revenue Sharing			199,865
Investment Earnings			39,120
Rentals and Other			<u>13,957</u>
TOTAL GENERAL REVENUES			<u>\$ 553,961</u>
Change in Net Assets			\$ 223,414
Net Assets, Beginning of Year			<u>1,665,855</u>
NET ASSETS, END OF YEAR			<u>\$1,889,269</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2008

	<u>Special Revenue Funds</u>				<u>Total</u>
	<u>General</u>	<u>Fire</u>	<u>Fire Equipment</u>	<u>Ambulance</u>	<u>Gov't Funds</u>
ASSETS:					
Cash & Cash Equiv.	\$654,428	\$109,321	\$ 81,505	\$40,732	\$885,986
Due from Other Funds					
Unit	7,203	206	103	145	7,657
Due from Other Gov't					
Units – (Delinq. Taxes)	10,856	9,993	4,975	7,594	33,418
Accrued Int. Rec.	<u>2,192</u>	<u>242</u>	<u>242</u>		<u>2,676</u>
	\$674,679	\$119,762	\$ 86,825	\$48,471	\$929,737
Restricted Cash – Fire					
C of D's		<u>31,128</u>	<u>31,128</u>		<u>62,256</u>
TOTAL ASSETS	<u>\$674,679</u>	<u>\$150,890</u>	<u>\$117,953</u>	<u>\$48,471</u>	<u>\$991,993</u>
LIABILITIES & FUND BALANCES					
LIABILITIES:					
Accounts Payable	\$ <u>5,104</u>	\$ <u>4,092</u>	\$ <u>693</u>	\$ _____	\$ <u>9,889</u>
TOTAL LIABILITIES	\$ 5,104	\$ 4,092	\$ 693	\$ _____	\$ 9,889
FUND BALANCES:					
Reserved-Fire Equip.	\$ _____	\$ 31,128	\$ 31,128	\$ _____	\$ 62,256
Unreserved	<u>669,575</u>	<u>115,670</u>	<u>86,132</u>	<u>48,471</u>	<u>919,848</u>
TOTAL FUND BAL.	<u>\$669,575</u>	<u>\$146,798</u>	<u>\$117,260</u>	<u>\$48,471</u>	<u>\$982,104</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$674,679</u>	<u>\$150,890</u>	<u>\$117,953</u>	<u>\$48,471</u>	<u>\$991,993</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET ASSETS OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET ASSETS
MARCH 31, 2008

Fund Balances – Total Governmental Funds	\$ 982,104
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Amounts reported for governmental activities in the statement
of net assets are different because:

Capital Assets used in governmental activities are not financial
resources and therefore are not reported in the funds.

Add: Capital Assets	1,361,430
Deduct: Accumulated Depreciation	<u>(454,265)</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$1,889,269</u>
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The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2008

	<u>Special Revenue Funds</u>				Total
	<u>General</u>	<u>Fire</u>	<u>Fire</u>	<u>Ambulance</u>	<u>Gov't</u>
	<u>Fund</u>	<u>Fund</u>	<u>Equip.</u>	<u>Fund</u>	<u>Funds</u>
			<u>Fund</u>		
REVENUES:					
Property Taxes – Special					
Assessments	\$ 80,317	\$ 91,385	\$ 45,687	\$ 62,280	\$279,669
Administrative Fees	21,350				21,350
State Shared Revenues	199,865				199,865
Interest	29,930	4,452	3,600	1,138	39,120
Miscellaneous Other Rev.	<u>12,907</u>	<u>1,050</u>			<u>13,957</u>
TOTAL REVENUES	\$344,369	\$ 96,887	\$ 49,287	\$ 63,418	\$553,961
EXPENDITURES:					
General Government	\$103,659	\$	\$	\$	\$103,659
Public Safety		61,559	4,953		66,512
Public Works	138,859				138,859
Health & Welfare				64,124	64,124
Capital Outlay	<u>3,042</u>				<u>3,042</u>
TOTAL EXPEND.	\$245,560	\$ 61,559	\$ 4,953	\$ 64,124	\$376,196
Revenues Over (Under)					
Expenditures	\$ 98,809	\$ 35,328	\$ 44,334	\$ (706)	\$177,765
OTHER FINANCING SOURCES (USES):					
Transfers In	\$	\$ 2,530	\$	\$	\$ 2,530
Transfers Out			(2,530)		(2,530)
TOTAL OTHER					
FINANCING SOURCES					
(USES)	\$	\$ 2,530	\$ (2,530)	\$	\$
Net Changes in Fund					
Balances	\$ 98,809	\$ 37,858	\$ 41,804	\$ (706)	\$177,765
Fund Balances					
April 1, 2007	<u>570,766</u>	<u>108,940</u>	<u>75,456</u>	<u>49,177</u>	<u>804,339</u>
FUND BALANCES					
MARCH 31, 2008	<u>\$669,575</u>	<u>\$146,798</u>	<u>\$117,260</u>	<u>\$ 48,471</u>	<u>\$982,104</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
SHIAWASSEE COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2008

Net change in fund balances – total governmental funds	\$177,765
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Add: Capital Outlay	123,624
Deduct: Depreciation Expense	<u>(77,975)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$223,414</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
FIDUCIARY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
MARCH 31, 2008

ASSETS:

Cash Demand Deposits	\$10,408
	<u>\$10,408</u>

LIABILITIES:

Due to Other Funds	\$ 7,657
Due to Other Taxing Entities	<u>2,751</u>
	\$10,408

FUND BALANCE	<u>\$10,408</u>
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The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
FIDUCIARY FUND
CURRENT TAX COLLECTION FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED MARCH 31, 2008

BALANCE APRIL 1	\$ 6,286
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RECEIPTS

Current Property Taxes	\$1,929,955
Delinquent Property Taxes	38,069
Collection Fees	19,296
Dog Licenses	2,080
Interest Earned	2,046
Overpayments	11,239
Penalties	<u>2,857</u>
TOTAL RECEIPTS AND BEGINNING BALANCE	\$2,011,828

DISBURSEMENTS

Shiawassee County	\$1,443,214
Byron Schools	160,500
Durand Schools	39,507
General Fund	104,119
Fire Fund	90,846
Fire Equipment Fund	45,439
Ambulance Fund	62,189
Library	44,368
Refunds and Returned Checks	<u>11,238</u>
TOTAL DISBURSEMENTS	\$2,001,420

BALANCE MARCH 31	\$ <u>10,408</u>
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The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Burns Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The more significant of the government's accounting policies are described below:

A – REPORTING ENTITY

Burns Township is governed by an elected five member board. The accompanying financial statements present the Township's primary government and component units over which the Township exercises significant influence. Significant influence was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues general obligation of the Township finance any deficits that may occur or receipt of significant subsidies from the Township Component Units that do not meet the criteria for blending are reported discretely.

There are no component units that are reported in the Township's financial statements.

B – GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, or privilege provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly excluded from program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

BURNS TOWNSHIP
NOTES TO FINNCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C – MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing or related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, special assessments, licenses, interest revenue, and charges for services. Sales taxes collected and held by the state at year end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Township reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Fire Fund – Used to account for monies disbursed for Township Fire Protection.

Fire Equipment Fund – Used to account for property tax special assessments levied for purchasing fire equipment.

Ambulance Fund – Used to account for special revenue monies to provide ambulance service for Township residents.

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C – MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an "expendable" trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

D – ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

Cash and Investments – The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of 3 months or less when acquired.

Receivables and Payables – In General, outstanding balances between funds are reported as "due to/from other funds" activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide financial statements.

Restricted Assets – Certain revenue bonds of the Enterprise Funds require amounts to be set aside for bond reserve. These amounts have been classified as restricted investments.

Capital Assets – Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The Township began recording governmental infrastructure constructed on or after July 1, 2003 as followed by GASB 34.

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

D – ASSETS, LIABILITIES AND NET ASSETS OR EQUITY (CONTINUED)

Property, plant and equipment is depreciated using the straight-line method over the following useful lives.

Land Improvements	10 to 20 years
Building and Building Improvements	25 to 40 years
Utility Systems	25 to 40 years
Roads	25 years
Other Infrastructure	20 to 40 years
Vehicles	5 to 10 years
Machinery and Equipment	5 to 10 years

Long-Term Obligations – In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

E – USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

F – BUDGETS AND BUDGETARY ACCOUNTING

Encumbrances represent commitments related to unperformed contracts for goods or services.

Encumbrances accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is not utilized in the governmental funds. Encumbrances outstanding at year end are not reported as reservations of fund balances and also not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F – BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of the fiscal year, the clerk submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in the Township to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted through board approval.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. The budgets were amended during the year ended March 31, 2008. The General Fund budget expenditures were increased in utilities from \$5,000 to \$5,500. The Fire Fund expenditures were increased in wages from \$26,000 to \$28,500, office expense from \$1,500 to \$2,000, fuel and supplies from \$6,000 to \$6,500 and truck equipment from \$7,000 to \$7,500.

G – SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, transactions occur between individual funds for services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

H – COMPENSATED ABSENCES AND POST EMPLOYMENT BENEFITS

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability on the governmental fund that will pay for it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for those amounts. In accordance with the provisions reported for those amounts. In accordance with the provisions reported in the general long-term debt account group. No expenditure is reported for those amounts. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Under the Consolidated Omnibus Budgeting Reconciliation Act (COBRA) certain requirements are outlined for health insurance coverage of former employees and eligible dependents. The Township does not have health insurance coverage for its employees, therefore, there are no post-employment health care benefits.

The Township does not have a pension plan.

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE 2 – LEGAL COMPLIANCE BUDGETS

Before the beginning of each fiscal year, the proposed budget is presented to the board for review. The government's board holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available or the revenue estimates must be changed by an affirmative vote of a majority of the board.

Expenditures may not legally exceed budgeted appropriation. The original general fund was amended during the year. The final amended budget is included in the financial statements.

NOTE 3 – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the account of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The local Government Unit Board has designed two banks for the deposit of Local Unit funds. The investment policy adapted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CD's, but not the remainder of State statutory authority as listed above.

The Township's deposits consist of interest bearing checking and savings accounts. At March 31, 2008, the carrying amount of the Township's deposits was \$958,651. Of the bank balance, \$117,161 was covered by Federal Depository Insurance and \$841,490 was insured. Michigan law does not require collateralization of government deposits.

The Township's investment at March 31, 2008, consisted of cash and certificates of deposit at one financial institution.

<u>Institution A</u>	<u>Amount</u>	<u>FDIC Insured</u>	<u>Uninsured</u>
Checking – Demand	\$ 17,161	\$ 17,161	\$
Savings – Time	<u>941,490</u>	<u>100,000</u>	<u>841,490</u>
	<u>\$958,651</u>	<u>\$117,161</u>	<u>\$841,490</u>

BURNS TOWNSHIP
NOTES TO FINANCIALS TATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES

At March 31, 2008, the individual receivables and payable balances were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$7,203	\$
Fire Fund	206	
Current Tax Collection Fund		7,657
Ambulance Fund	145	
Fire Equipment Fund	<u>103</u>	
	<u>\$7,657</u>	<u>\$7,657</u>

NOTE 5 – CAPITAL ASSETS

The following is a summary of changes in the general fixed assets account group during the fiscal year.

	<u>Balance 4-01-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3-31-08</u>
Primary Government:				
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 12,086	\$ _____	\$ _____	\$ 12,086
Capital Assets, being depreciated:				
Buildings	\$ 165,337	\$	\$	\$ 165,337
Fire Equipment	99,091	9,067		108,158
Vehicles	383,428	3,538		386,966
Office Equip. & Furn.	27,236	3,042		30,278
Infrastructure	<u>550,628</u>	<u>107,977</u>	_____	<u>658,605</u>
TOTAL CAPITAL ASSETS, BEING DEPRECIATED	\$1,225,720	\$123,624	\$	\$1,349,344

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	Balance <u>4-01-07</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>3-31-08</u>
Less Accumulated Depreciation for:				
Buildings	\$125,186	\$ 5,510	\$	\$130,696
Fire Equipment	85,652	5,502		91,154
Vehicles	81,194	36,223		117,417
Office Equip. & Furn.	25,777	634		26,411
Infrastructure	<u>58,481</u>	<u>30,106</u>	<u> </u>	<u>88,587</u>
TOTAL ACCUMULATED DEPRECIATION	<u>\$376,290</u>	<u>\$77,975</u>	<u>\$ </u>	<u>\$454,265</u>
Total Capital Assets, being Depreciated, Net	<u>849,430</u>	<u>45,649</u>	<u> </u>	<u>895,079</u>
TOTAL	<u>\$861,516</u>	<u>\$45,649</u>	<u>\$ </u>	<u>\$907,165</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 6,144
Public Works	30,106
Public Safety	<u>41,725</u>
TOTAL DEPRECIATION – GOVERNMENTAL ACTIVITIES	<u>\$77,975</u>

BURNS TOWNSHIP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED MARCH 31, 2008

NOTE 6 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Michigan Public Act 621 of 1978, Section 18 and 19, as amended, provides that a local governmental unit shall not incur expenditures in excess of the amounts appropriated.

In the body of the general purpose financial statements, the Township's budgeted expenditures in the General and Special Revenue Funds have been shown at the functional classification level. The approved budgets of the Township have been adopted at the activity level for the General Fund and the total expenditure level for the Special Revenue Fund.

During the period ended March 31, 2008, the Township incurred expenditures in excess of the amounts appropriated as follows:

	<u>Appropriated</u>	<u>Amounts Expended</u>	<u>Variance</u>
Other Sources of Funds:			
Fire Fund – Transfer In	\$	\$2,530	\$(2,530)
Fire Equipment Fund – Transfer Out		2,530	(2,530)

NOTE 7 – RISK MANAGEMENT

The Township is exposed to various risks of loss related property loss, torts, errors, omissions and employee injuries (workers' compensation). The Township has purchased commercial insurance for property loss, torts, and workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAY INFORMATION

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED MARCH 31, 2008

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 78,284	\$ 78,284	\$ 80,317	\$ 2,033
State Shared Revenues	180,000	180,000	199,865	19,865
Tax Administration Fee	16,000	16,000	21,350	5,350
Interest Income	12,000	12,000	29,930	17,930
Other			<u>12,907</u>	<u>12,907</u>
TOTAL REVENUES	<u>\$286,284</u>	<u>\$286,284</u>	<u>\$344,369</u>	<u>\$ 58,085</u>
EXPENDITURES				
Township Board:				
Salaries	\$	\$	\$ 2,400	\$
Supplies			665	
Dues & Prof. Services			1,685	
Education			213	
Printing & Publishing			474	
Audit			3,550	
Miscellaneous			558	
Payroll Tax Expense			<u>3,423</u>	
TOTAL TOWNSHIP BOARD	<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ 12,968</u>	<u>\$ 1,032</u>
Supervisor:				
Salaries	\$	\$	\$ 12,600	\$
Supplies			284	
Mileage			<u>34</u>	
TOTAL SUPERVISOR	<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ 12,918</u>	<u>\$ 1,082</u>
Elections:				
Salaries	\$	\$	\$ 1,110	\$
Supplies			307	
Mileage			88	
Printing & Publishing			<u>13</u>	
TOTAL ELECTIONS	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 1,518</u>	<u>\$ 3,482</u>
Assessor:				
Salary	\$ 18,500	\$ 18,500	\$ 18,500	\$
Supplies	<u>3,500</u>	<u>3,500</u>	<u>1,846</u>	<u>1,654</u>
TOTAL ASSESSOR	<u>\$ 22,000</u>	<u>\$ 22,000</u>	<u>\$ 20,346</u>	<u>\$ 1,654</u>

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED MARCH 31, 2008

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES:				
Clerk:				
Salaries	\$	\$	\$ 14,043	\$
Supplies			854	
Mileage			136	
TOTAL CLERK	\$ 16,000	\$ 16,000	\$ 15,033	\$ 967
Board of Review:				
Salaries	\$	\$	\$ 713	\$
TOTAL BOARD OF REVIEW	\$ 1,200	\$ 1,200	\$ 713	\$ 487
Treasurer:				
Salaries	\$	\$	\$ 14,455	\$
Supplies			6,347	
Mileage			58	
TOTAL TREASURER	\$ 24,500	\$ 24,500	\$ 20,860	\$ 3,640
Building & Grounds:				
Utilities	\$	\$ 5,500	\$ 4,965	\$ 535
Capital Outlay-Office/Hall		5,000	3,042	1,958
Repairs		5,000	2,920	2,080
TOTAL BLDGS. & GROUNDS	\$ 15,000	\$ 15,500	\$ 10,927	\$ 4,573
Planning Commission	\$ 1,200	\$ 1,200	\$	\$ 1,200
Cemetery	3,500	3,500	3,100	400
Insurance	10,000	10,000	8,318	1,682
Drains at Large	7,000	7,000	500	6,500
Roads	145,000	145,000	137,187	7,813
Street Lights	300	300	272	28
Recycling	900	900	900	
Contingencies & Emergency Serv.	11,000	11,000		11,000
TOTAL EXPENDITURES	\$290,600	\$291,100	\$245,560	\$45,540

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED MARCH 31, 2008

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$(4,316)</u>	<u>\$(4,816)</u>	\$ 98,809	<u>\$103,625</u>
Fund Balance April 1			<u>570,766</u>	
FUND BALANCE MARCH 31			<u>\$669,575</u>	

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
FIRE FUND – MAJOR SPECIAL REVENUE FUND
YEAR ENDED MARCH 31, 2008

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Property Taxes	\$ 84,425	\$ 84,425	\$ 91,385	\$ 6,960
Interest Earned	3,000	3,000	4,452	1,452
Miscellaneous			<u>1,050</u>	<u>1,050</u>
TOTAL REVENUES	\$ 87,425	\$ 87,425	\$ 96,887	\$ 9,462
EXPENDITURES:				
Salaries	\$ 26,000	\$ 28,500	\$ 28,045	\$ 455
Office Supplies	1,500	2,000	1,822	178
Fuel & Supplies	6,000	6,500	5,834	666
Insurance	10,000	10,000	8,874	1,126
Medical	1,600	1,600	825	775
Utilities & Miscellaneous	5,000	5,000	4,734	266
Mileage	1,600	1,600	60	1,540
Repairs & Maintenance	15,000	15,000	5,006	9,994
Education & Training	3,000	3,000	100	2,900
Equipment	7,000	7,500	4,114	3,386
Payroll Tax	<u>2,500</u>	<u>2,500</u>	<u>2,145</u>	<u>355</u>
TOTAL EXPENDITURES	\$ <u>79,200</u>	\$ <u>83,200</u>	\$ <u>61,559</u>	\$ <u>21,641</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	\$ 8,225	\$ 4,225	\$ 35,328	\$ 31,103
OTHER SOURCES (USES) OF FUNDS:				
Transfers In			<u>2,530</u>	<u>2,530</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ <u>8,225</u>	\$ <u>4,225</u>	\$ 37,858	\$ <u>33,633</u>
Fund Balance April 1			<u>108,940</u>	
FUND BALANCE MARCH 30			<u>\$146,798</u>	

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
FIRE EQUIPMENT FUND – MAJOR SPECIAL REVENUE FUND
YEAR ENDED MARCH 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:				
Assessments	\$42,712	\$42,712	\$ 45,687	\$ 2,975
Interest Earned	<u>1,500</u>	<u>1,500</u>	<u>3,600</u>	<u>2,100</u>
TOTAL REVENUES	\$44,212	\$44,212	\$ 49,287	\$ 5,075
EXPENDITURES:				
Equipment Purchased	<u>\$12,800</u>	<u>\$12,800</u>	<u>\$ 4,953</u>	<u>\$ 7,847</u>
TOTAL EXPENDITURES	\$12,800	\$12,800	\$ 4,953	\$ 7,847
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$31,412	\$31,412	\$ 44,334	\$ 12,922
OTHER SOURCES (USES) OF FUNDS:				
Transfers Out	_____	_____	<u>(2,530)</u>	<u>(2,530)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	<u>\$31,412</u>	<u>\$31,412</u>	\$ 41,804	<u>\$ 10,392</u>
Fund Balance April 1			<u>75,456</u>	
FUND BALANCE MARCH 31			<u>\$117,260</u>	

The accompanying notes are an integral part of these financial statements.

BURNS TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
AMBULANCE FUND – MAJOR SPECIAL REVENUE FUND
YEAR ENDED MARCH 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:				
Assessment	\$69,472	\$69,472	\$62,280	\$(7,192)
Interest Earned	<u>800</u>	<u>800</u>	<u>1,138</u>	<u>338</u>
TOTAL REVENUES	\$70,272	\$70,272	\$63,418	\$(6,854)
EXPENDITURES:				
Ambulance Service	\$72,000	\$72,000	\$63,400	\$ 8,600
Legal & Miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>724</u>	<u>1,276</u>
TOTAL EXPENDITURES	\$74,000	\$74,000	\$64,124	\$ 9,876
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$(3,728)</u>	<u>\$(3,728)</u>	\$ (706)	<u>\$ 3,022</u>
Fund Balance April 1			<u>49,177</u>	
FUND BALANCE MARCH 31			<u>\$48,471</u>	

The accompanying notes are an integral part of these financial statements.



DEMIS and WENZLICK, P.C.

Certified Public Accountants

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Joyce Simmons
Barbara Wenzlick
Bruce Wenzlick

Burns Township
Shiawassee County, Michigan

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we discovered the following areas which required specific recommendation, as a result of the audit our firm performed on the financial statements of Burns Township for the year ended March 31, 2008.

Budget

The State Revenue Sharing Distribution Law, P.A. 176 of 1980, includes a compliance requirement in budgeting. It is important under this act that expenditures do not exceed the budget. Expenditures include accounts payable at March 31. Budgeted expenditures cannot exceed budgeted revenues plus the beginning fund balance. During our audit we noticed certain expenditures exceeding budgeting amounts. Care should be taken that expenditures do not exceed the budget. Amendments, if any, must occur before March 31.

We wish to thank the board for the excellent cooperation we received in performing the Township audit. If we can be of any further assistance to the Township please contact us.

Sincerely,

Demis and Wenzlick, P.C.

Certified Public Accountants

Owosso, Michigan
July 23, 2007